ECONOMIC POLICIES FOR RETAIL STRIPS

CITY OF TORONTO PLANNING AND DEVELOPMENT DEPARTMENT
STEPHEN G. McLAUGHLIN, COMMISSIONER
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1. Introduction

1.1 Background

Most of Toronto's shopping activity is still carried out in retail strips - the rows of stores and shops that are threaded along many of the City's major streets. Retail strips are an old form of shopping district that developed before the automobile was widely used for shopping trips. However, they continue to play an important role in the City. The strips are readily accessible by both foot and public transit, and therefore do not encourage nor depend upon automobile use to the same extent as the more modern retail forms. They provide the major locations for small commercial businesses. Their physical form and appearance has a substantial impact on the adjacent residential neighbourhoods and on the visual image the City presents to passers-by. In addition, they play an important social role as community centres for the City's neighbourhoods, and provide an alternative living environment which supplements the purely residential character of the surrounding neighbourhoods.

Concerns about the future of strip retailing in the City have been raised in recent years. In 1976, Council adopted the recommendations of a discussion paper Toronto's Retail Strips (April 1976), expressing "concern about the implications that a decline in strip retail activity would have for the City's businessmen, its consumers, its residents, and its physical structure". In 1980, Support for Retail Strips: General Policy Proposals (June 1980) was adopted. This report provided a framework for a new approach to the City's retail strips and other commercial areas. It recommended that statements be added to the Part I Official Plan establishing that it is an explicit and official policy of the City to give support to retail strips, and introducing general policies for encouraging their economic revitalization, improvements in their physical appearance, and the development of more housing. These amendments were adopted by Council on September 15, 1980. They read as follows:

1. It is the policy of Council to support retail strips, and initiate public actions and promote private initiatives that will encourage their continued role as major elements in Toronto's commercial land use pattern and centres of activity for its residential neighbourhoods.

2. It is the policy of Council to recognize specific Low Density Mixed Commercial-Residential Areas as traditional shopping streets through statements in Part II of this Plan or through other statements of policy. It is the objective of Council that traditional shopping streets be retained as active and economically viable shopping districts. Accordingly, Council will give priority to these districts in determining specific economic and other measures intended to revitalize commercial areas.

3. It is the policy of Council to encourage improvements in the general appearance, the level of maintenance, and the provision of public amenities in Mixed Commercial-Residential Areas. Accordingly, Council will support the undertaking of programmes and other actions which include, but are not limited to, the provision of street furniture and landscaping and the encouragement of the renovation and upgrading of buildings.

4. It is the policy of Council to encourage the development of housing in Mixed Commercial-Residential Areas of a type, density and form that is consistent with the character of the area and compatible with adjacent uses. In accordance with Sections 2A.1, 2A.2 and 2A.13 of this Plan, it is the policy of Council to give particular encouragement to the production of rental accommodation, and of dwelling units suited to the needs of low-to-moderate income households, senior citizens and the handicapped.

The following report develops the economic revitalization policies for retail strips in greater detail.

1.2 Traditional Shopping Streets

The general revitalization policy is set out in the second Official Plan statement adopted by Council in September, 1980. Certain specified commercial areas are to be retained as "active and economically viable shopping districts". Council is to give priority to these areas when it undertakes commercial revitalization measures in order to accomplish this objective. The selected areas are to be called traditional shopping streets.

A selective approach to the economic revitalization of retail strips was chosen. 95 miles of the City's sidewalks are lined by

retail strips and commercial ribbons (see Map 1). The market for goods and services in the City is large enough to support shopping districts along only a fraction of this frontage. Identifying the areas the City most wishes to retain as shopping districts is necessary in order to channel the various policies and programmes related to the revitalization of strips to these areas. It will also serve as a signal to the private sector, hopefully stimulating the activity of local business associations and increasing business confidence and investment in the selected areas.

Many traditional shopping streets will already be healthy retail strips. In identifying these areas as "traditional shopping streets", the City will be signifying a commitment to helping them remain healthy in the future. Less healthy retail strips selected as traditional shopping streets will be priority areas for the City's economic revitalization efforts.

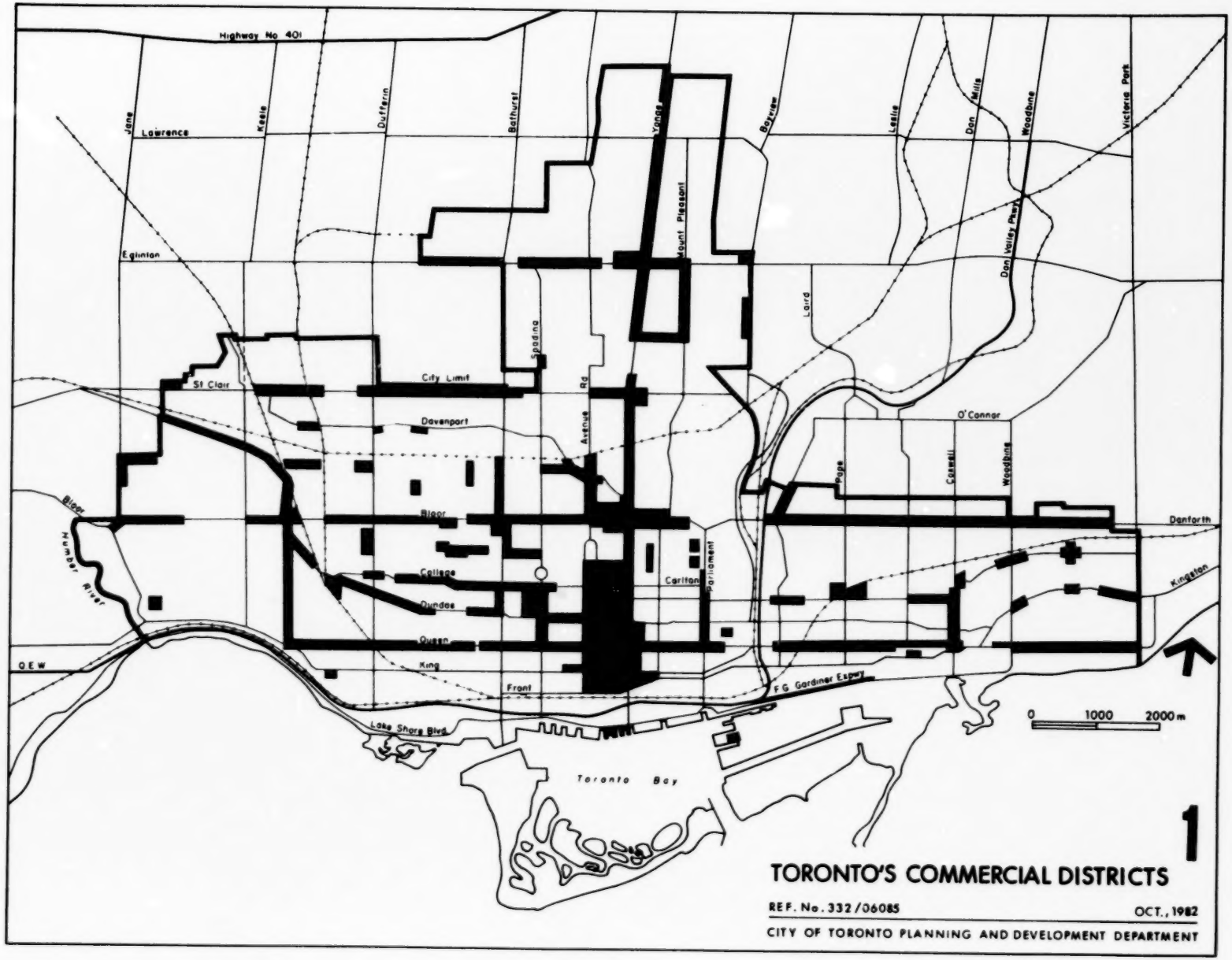
The commercial areas which are not selected as traditional shopping streets are also important to the City. Some of these areas perform convenience shopping functions for the immediate neighbourhood. Some provide locations for a mixture of stores and non-retail land uses such as schools, offices, funeral homes, studios, workshops, car dealerships, service stations, and residences located at grade. The physical appearance and general level of amenity offered by these commercial areas will be improved in accordance with the third Official Plan statement adopted in 1980.

The term traditional shopping streets is to be defined in the Part I Official Plan. Therefore, it is always underlined. The definition will describe traditional shopping streets as areas in which street-related retail and service uses predominate, and which Council wishes to retain as active and economically viable shopping districts.

The term "street-related retail and service uses" means "those retail and service stores, the principal entrances of which are located along the perimeter of a building and are directly accessible by pedestrians walking along a route having a distance of not more than 5 metres from one of the following:

i) the lot line of the lot on which the building is located which line is adjacent to a sidewalk abutting a street having a street allowance greater than 6 metres in width, or is adjacent to a park; or

ii) a building setback line from such lot line which has been approved by Council" (Section 10.41).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TORONTO'S COMMERCIAL DISTRICTS
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Traditional shopping streets are to be identified in policy statements adopted from time to time by Council. A programme for selecting the initial list of traditional shopping streets is proposed in Section 5.2 of this report. This answers Council's request for a report on "the process for selecting traditional shopping streets, having particular regard for the assessment of economic market conditions" (September 15, 1980).

1.3 Economic Revitalization Proposals

The economic revitalization strategy proposed in this report consists of three basic policies:

1) encouraging more housing development in and around the strips in order to increase the local market for goods and services.

2) encouraging new retail developments to support shopping activity in traditional shopping streets, and therefore to:

   a) discourage retail development in selected commercial areas in order to support the retention of retail and service uses in traditional shopping streets; and

   b) encourage large new retail developments to locate and be designed in such a way that their customers are likely to visit other stores in traditional shopping streets;

3) supporting the ability of traditional shopping streets to attract customers and provide a high calibre retail service.

Much of the rationale for these policies is established in a background study called Retailing in Toronto: the Sixties and Seventies which will be made available in the near future. Unless otherwise indicated, the data and empirical information cited throughout this report are described in the background study.

The three economic revitalization policies are discussed in Sections 2, 3 and 4 of the report. An implementation programme is proposed in Section 5.

2. Policy One: Encouraging More Housing Development

2.1 Housing Development and Economic Revitalization

The general desirability of encouraging housing development in commercial areas was established in Support for Retail Strips: General Policy Proposals. Commercial areas generally provide residents with extremely accessible shopping, community, and public transit facilities, and offer people an alternative living environment to the City's residential neighbourhoods. Apartments already are a common upper floor use in commercial strips in both old and new developments. Encouraging more housing to be built would help the City achieve its housing production targets without disrupting the stability and character of its low density residential neighbourhoods. It would also contribute to the efficiency and use of the public transit system.

Encouraging more housing development is also an economic revitalization policy. The number of people who live in an area is the single most important factor determining the scale of its shopping activity. This relationship was verified empirically for Toronto in the background study Retailing in Toronto: the Sixties and Seventies. It was found that the amount of retail sales reported throughout the City in 1971 was strongly related to the number of people living in the local area.

It was also found that retail sales decreased in most parts of the City that experienced population declines between 1961 and 1971. This finding is significant since population decline has become a more prevalent trend in the City since 1971. The City's population decreased by 16%, or 113,566 persons, between 1971 and 1981. The decrease has been particularly marked in East Toronto. As is explained in Toronto in Transition (April 1980), reductions in the average number of people living in each dwelling unit are major factors in the population decline. This trend is slowing down; the population decrease between 1976 and 1981 was half as great as the decrease between 1971 and 1976. However, the City's

average household size probably will continue to fall to some extent during the 1980's.

The absence of recent retail sales data makes it impossible to determine the impact of the last decade's population decline on shopping activity. It is possible that income increases and sales to people living outside the City mitigated the effect. Sales to non-residents probably did grow substantially. However, this business would have been localized in the City's specialty and regional shopping areas and in the districts near hotels and office buildings.

If the City's average real per capita income increased 19%, its population's total expenditure on goods and services would have remained about the same between 1971 and 1981. Although reliable income data are scarce, it is quite likely that the real growth in income levels surpassed 19%. A survey of 900 households in Metropolitan Toronto (York University: Fall, 1980) suggested that the real average per capita income in Metro increased by 24% between 1971 and 1980. The City's per capita income probably increased at least as much as the Metro average.

However, the income and sales data for 1961 and 1971 indicated that the City's retail activity failed to increase in areas with rising income levels. Retail sales were not related to the total income of the surrounding area residents, just to the size of the population. Higher income people apparently do a smaller proportion of their shopping in the local area.

Therefore, recent demographic trends suggest that Toronto's retail strips can expect to lose business unless more housing units are constructed in the City. Housing built over stores and adjacent to retail strips should have the greatest impact on sales since people generally prefer to shop locally. The encouragement of more housing development in commercial areas is critical to the economic revitalization of retail strips.

2.2 Encouraging More Housing

Land use planning is the major instrument that will be used to encourage the development of more housing in commercial areas. Council already has adopted an Official Plan amendment setting out the general policy which reads as follows:

> "It is the policy of Council to encourage the development of housing in Mixed Commercial-Residential Areas of a type, density and form that is consistent with the character of the area and compatible with adjacent uses. In accordance with Sections 2A.1, 2A.2 and 2A.13

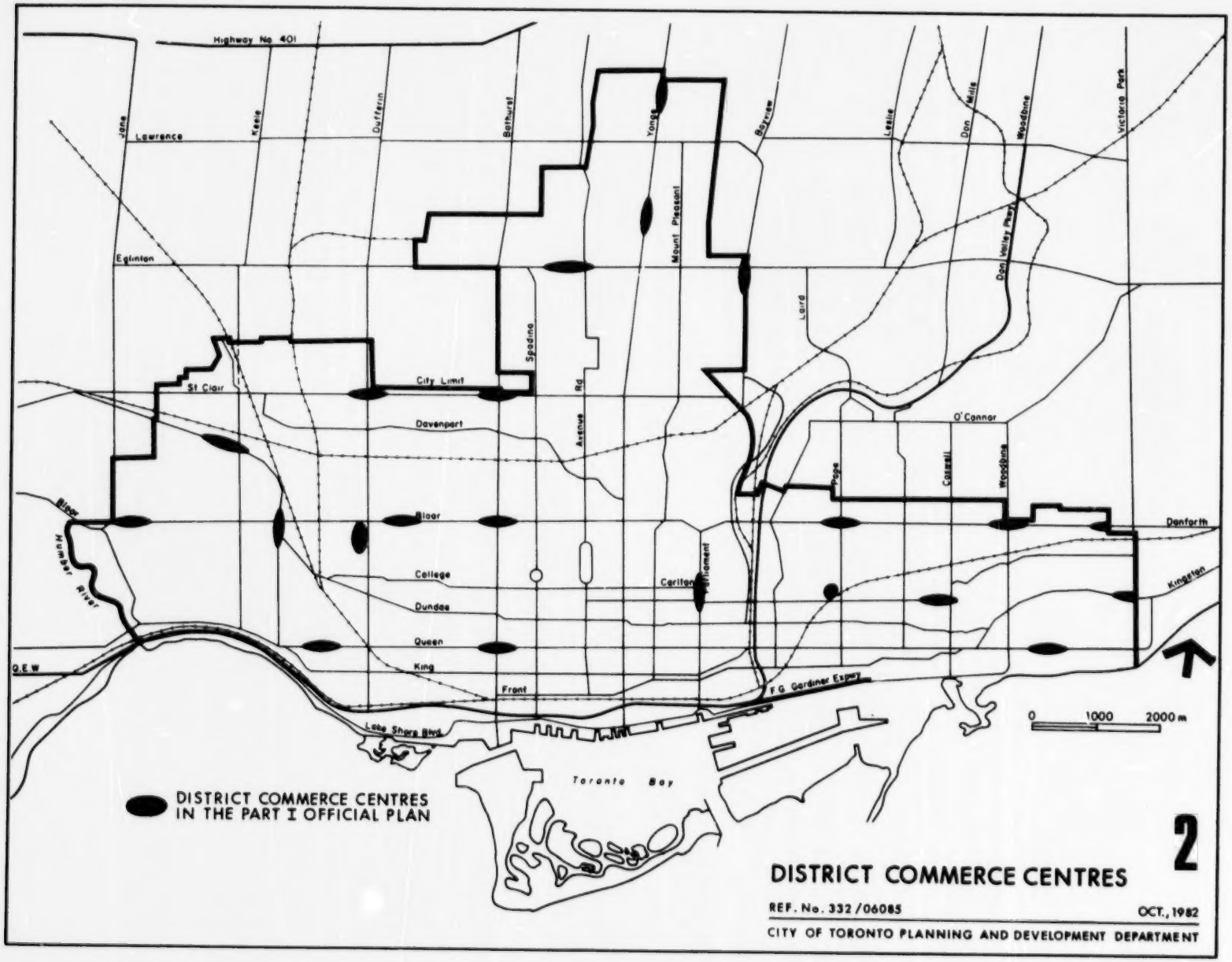
> of the Plan, it is the policy of Council to give particular encouragement to the production of rental accommodation, and of dwelling units suited to the needs of low-to-moderate income households, senior citizens and the handicapped."

During the public discussion of this statement, the Swansea Ratepayers' Association expressed concern as to the suitability of second and third floor apartments above stores for the elderly and handicapped since such buildings rarely have elevators. It was acknowledged that the accessibility requirements of these groups would have to be addressed in developments designed for them. However, the Planning Board felt that the problems were not insurmountable, and did not substantially detract from the ability of commercial areas to house these groups.

Further amendments to the Official Plan and Zoning By-law are being prepared to make the development of housing in commercial areas more attractive. The proposal will increase the permissible residential density in most commercial areas, and encourage mixed-use projects instead of completely commercial developments. Permissible commercial densities will be decreased so that the overall scale of development remains much the same as is presently permitted in areas of permissible commerce and by C1.V1 zoning.

The proposed amendments to the Part I Official Plan will redesignate the areas of permissible commerce and district commerce centres throughout the City as low density mixed commercial-residential areas. This will have the general effect of increasing the residential density permitted by the Official Plan in most areas from 1 times the area of the lot to about 2 times the area of the lot (or 200 units per hectare). The permitted non-residential density will be reduced from 3 times the area of the lot to 2 times the area of the lot. A density incentive of about 0.5 times the area of the lot will be provided for mixed-use development.

Council adopted an intent "to not entertain rezonings in district commerce centres which would permit development at densities greater than 3.0 times the area of the lot" in 1978. Before then, the Plan permitted rezoning applications in district commerce centres to be approved for residential densities up to 2.0 times the area of the lot (and 2.5 times the area of the lot at Parliament and Carlton), and non-residential or mixed-use densities up to 5.0 times the area of the lot. The proposed commercial densities are substantially less than were permitted in district commerce centres, while the proposed residential densities are about the same. This adjustment is consistent both with the conclusions of a city-wide review of the district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DISTRICT COMMERCE CENTRES
REF. No. 332/06085
OCT., 1982
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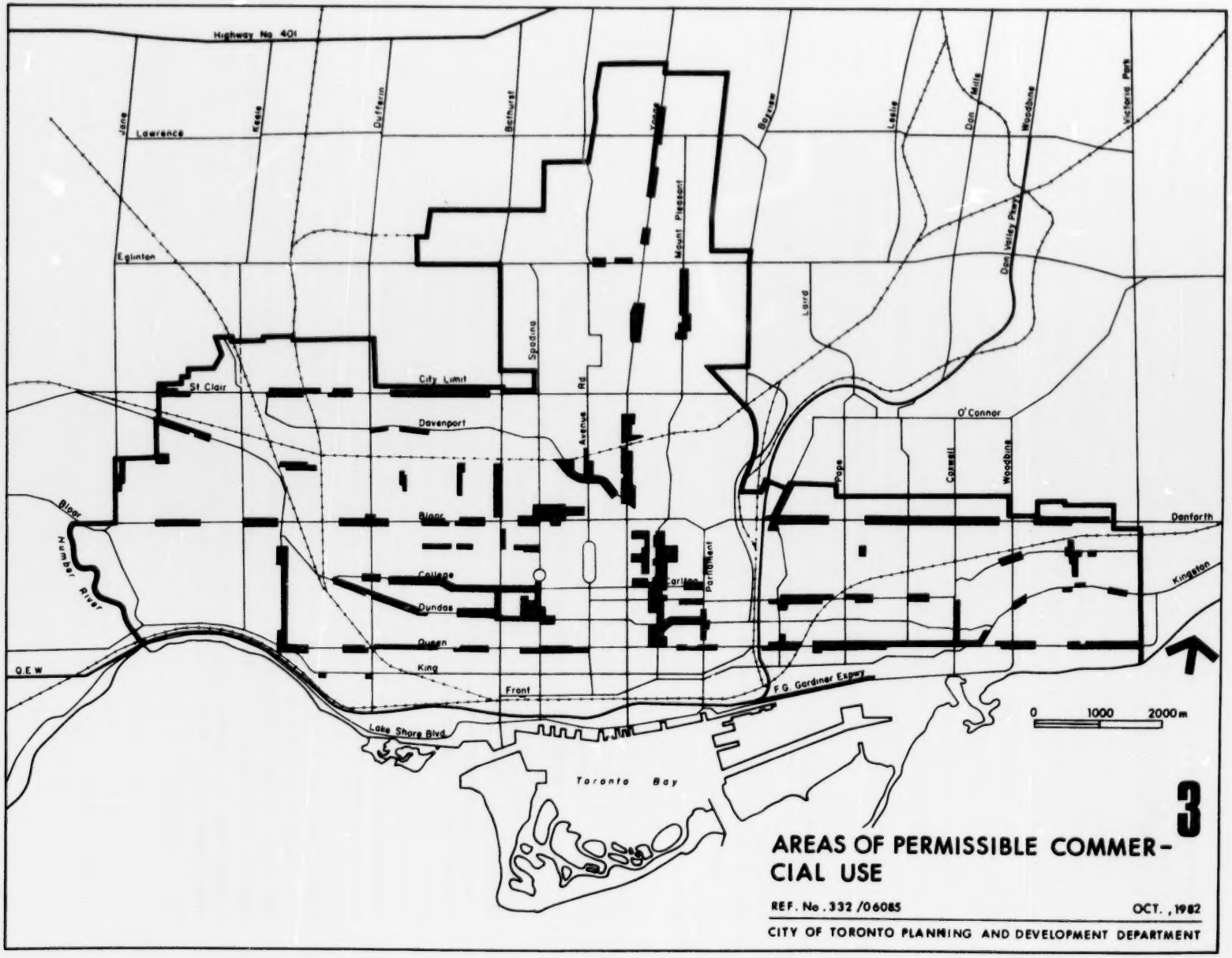
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AREAS OF PERMISSIBLE COMMERCIAL USE
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commerce centre policy (refer to Review of the District Commerce Centre Policy, June 26, 1978), and with the objective of encouraging residential development in commercial areas.

A strategy for revising the Zoning By-law for commercial districts to encourage more residential development is being considered. This will entail amending the CR L-U zoning system to make it more applicable to commercial strips outside of the Central Area, and the C1.V1 zoning system to permit more residential development in areas not yet converted to the CR L-U system.

It may also be possible to increase the City's housing stock by encouraging the renovation and renewal of existing buildings in commercial areas. The upper stories of commercial buildings are often underutilized. It may be feasible to convert this type of space into dwelling units. The Ministry of Housing is considering this issue, and is in the process of developing a programme for the residential renovation of upper storey space in commercial buildings. The report Services for Small Businesses on Toronto's Retail Strips (July 1982) proposes that City staff organize a series of workshops for property owners on property upgrading and converting more space in strip buildings to residential use.

2.3 The Problem of Market Share

Building more housing in commercial areas will help stem the City's population decline and the consequent erosion of its retail strips' markets. However, the policy will only support retail strips if the new residents choose to shop there. This point was illustrated by the background research described in Retailing in Toronto: the Sixties and Seventies. It was found that many areas whose populations increased nonetheless experienced reductions in shopping activity. The stores and shops in these areas apparently had been unable to attract the new business. The commercial strip along Danforth Avenue between Broadview and Greenwood provided a specific example. This area lost 16% of the share of shopping-related purchases it was able to attract from the surrounding neighbourhoods between 1961 and 1971.

Building more housing can increase only the potential for business in retail strips. The actual change in business will depend upon whether the retail strips cater to the shopping needs of the new residents, and whether new retail space is built in the area which competes with the retail strips. The second and third revitalization policies are directed towards these issues.

3. Policy Two: New Retail Development

3.1 Characteristics of New Retail Development

New retail development has an impact on existing shopping districts since it changes where people do their shopping. The impact may be either positive or negative. Analyzing the characteristics of retail developments built between 1965 and 1980 in the City indicated that many of the projects have had a negative impact on retail strips.

The scale of new retail development has been substantial. 9.2 million square feet of retail space was built between 1965 and 1980. This is more than one-quarter of the total retail space existing in the City. Most of the new space was built in the Central Core of the City, and was either associated with office, apartment or hotel projects, or was oriented to a region-wide market (e.g. Eatons Centre). However, 4 million sq.ft. of retail space - more space than in Yorkdale Shopping Centre, Fairview Mall, Scarborough Town Centre and Sherway Gardens combined - was constructed in the rest of the City outside of the Central Core.

This scale of development activity is initially surprising in view of the City's shrinking population. There has not been sufficient growth in most neighbourhoods' markets to support the development of new retail space. Developers nevertheless proceed with their projects if they estimate that sufficient sales can be captured away from the area's existing shopping districts - in most cases, the City's retail strips. For example, a consultant study commissioned by the City to estimate the impact of the Gerrard Square project on retailing in East Toronto concluded that the centre would capture between 7 to 22% of the business received by the area's retail strips (Kates, Peat, Marwick & Co.; Analysis and Effects: Retailing in East Toronto, 1973).

The problems posed by the scale of new retail development have been exacerbated by the location of the new projects. Most have

been built outside of existing shopping districts on formerly non-retail sites. Only in the central core and the office districts near the Yonge-St. Clair and Yonge-Eglinton intersections have the new projects redeveloped blocks of retail strip and replaced other retail uses. It was found that eight times more retail space was constructed outside of the central core between 1976 and 1980 than was demolished. 95% of a sample of 39 projects built between 1965 and 1977 replaced non-retail uses. Only three of the eighteen new supermarkets that opened in the City between 1966 and 1976 are located in retail strips.

Therefore, most of the new retail developments in the City have formed new shopping locations. This would not be a problem if the new developments attracted customers who previously shopped outside of the City, or if the local market for goods and services were expanding. However, it has been more usual that the new projects compete with the retail strips for the available, and often shrinking, amount of business. Sales in many of the strips have decreased as a result. This may encourage their merchants to relocate in other shopping districts and discourage them from investing in the future of the area. The vacancy rate may increase, the level of maintenance may decrease, and land values and rents in the area may drop. Eventually, more "non-shopping uses" may locate at grade (e.g. residences; building contractors, commercial schools, administrative offices). This makes the shopping activity in the strip more disjointed.

Disjointed shopping districts pose problems for both shoppers and businessmen. Many shopping trips require visiting more than one store to compare the price and quality of the goods and services available in different places or to make related purchases (e.g. groceries, fresh fruit, and the bank). It becomes less convenient to accomplish such shopping trips if the stores and service shops are separated by other types of uses. Therefore, as a shopping district becomes more disjointed, it may fail to attract people on major multi-purpose shopping trips and increasingly serve only the more limited "convenience" trips. Its share of the purchases made by the area's residents will decrease, reducing the market for retail space still further.

Disjointed shopping districts may also impede the organization and activity of business associations and the undertaking of streetscape improvements. The merchants who would benefit from attracting more pedestrians and shoppers to the area are intermixed with other types of businesses which have limited interest in participating in promotional events or making physical improvements. In addition, streetscape improvements (e.g. decorative sidewalk paving, trees, flower boxes) will be more expensive if they must be extended along greater lengths of frontage.

MANY COMMERCIAL DISTRICTS HAVE LIMITED RETAIL ACTIVITY.

Therefore, it is generally preferable that new retail developments locate in existing shopping districts where they will increase, or at least maintain, the intensity of retail and service uses at grade. The customers attracted to the new development will then be more likely to shop in other stores in the district, increasing their business.

The physical form of new developments also often discourages association with nearby shopping districts. Over two-thirds of the retail space constructed between 1965 and 1977 was in the form of planned shopping centres or malls. Most of these projects were designed to internalize shopping behaviour. For example, stores are usually organized around an internal walkway system. Often neither the windows nor doors open onto the public sidewalk. The centres may be so poorly integrated with the rest of the shopping district that the customers they attract are not encouraged to visit the area outside of the centre.

Individual and small rows of stores also detract from retail strips if they are not integrated with their surroundings. A common problem is locating parking spaces in the setbacks between the development and the sidewalk.

3.2 Policy Towards New Retail Development

If traditional shopping streets are to remain economically viable shopping districts, the development characteristics of new retail projects must be changed. Instead of detracting from their retail activity, new developments should be encouraged to support traditional shopping streets. It is proposed that a statement be added to the Part I Official Plan establishing this goal as Council policy. A proposed wording of the statement is given in Section 5.1 of the report.

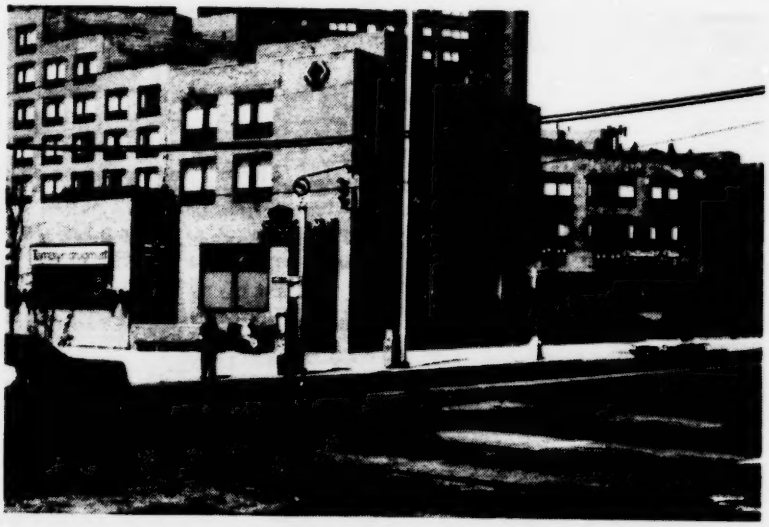
The problems resulting from past developments suggest a list of desirable objectives for the future.

(a) Scale

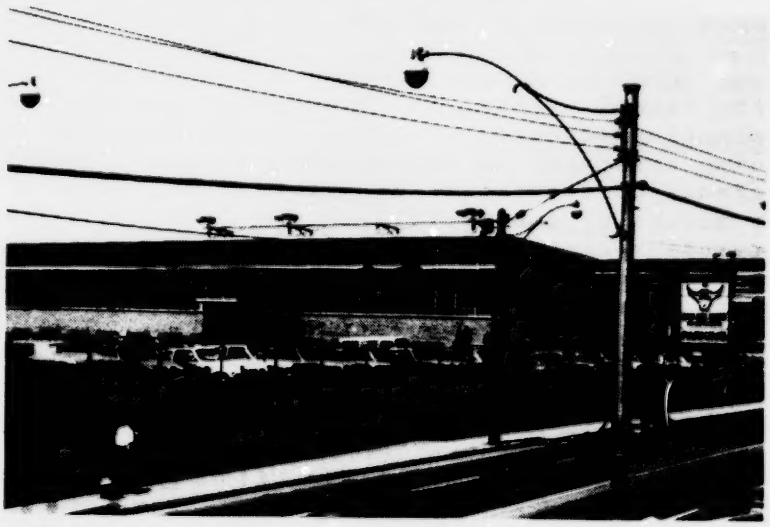
The economic viability of new shopping developments should not be predicated on their ability to capture sales away from traditional shopping streets, and undermine their markets. New projects should not produce more retail space than the market is able to support.

(b) Location

Ideally, new shopping developments should locate within traditional shopping streets, replacing rundown buildings or non-retail uses (e.g. gas station sites, vacated supermarkets).



A PROJECT'S DESIGN MAY DISCOURAGE INTERACTION WITH THE STRIPS.



SETBACKS SHOULD NOT BE USED FOR PARKING.

Developments outside of traditional shopping streets preferably should serve convenience shopping functions, be ancillary to another use (e.g. showrooms in manufacturing plants, employee services), or provide a type of shopping function not compatible with the character of traditional shopping streets (e.g. furniture warehouses, drive-in restaurants). They should be compatible with the character of the surrounding area, and consistent with all of Council's other policies.

(c) Physical Form

Retail developments in traditional shopping streets should encourage pedestrian activity along the sidewalk and generally improve the area's shopping environment. People should be encouraged to move between the new project and neighbouring businesses. The design of projects in other locations should be compatible with the character of the area and consistent with all other Official Plan policies.

3.3 Non-Retail Areas

The City's Zoning By-law permits retail development to occur in many more areas than presently function as shopping districts. The resultant flexibility has a number of advantages - for example, it permits the development of convenience and ancillary retail facilities in areas primarily devoted to other activities. However, the widespread permission of retail development has created problems for retail strips because most new projects have been built on sites previously used for other types of activity. Few parts of the City have been able to support substantial growth in retail activity. Therefore, the opening of new stores in previously non-retail locations often has been followed by the closure of stores in nearby retail strips.

It is proposed that the Zoning By-law be amended to limit the development of retail space in non-retail areas outside of traditional shopping streets. The City's new system of exclusive industrial zoning designations began this process. However, the non-retail segments of commercial districts also demand attention. There are many blocks of commercially-zoned frontage in the City with limited retail activity. Even in "major" shopping districts, retail and service uses may actually occupy a relatively small proportion of the frontage. For example, only 44% of the frontage along Danforth Avenue between Broadview and Greenwood is used by retail and service establishments. Almost one-third (30.2%) of the frontage is used by residences, various institutions, automobile activity, vacant lots, parking lots, and open space.

Local studies would identify the areas with little potential for additional retail development. Three alternative zoning

strategies are possible to encourage them to remain non-retail areas.

1. A zoning category analogous to the C1.A designation could be used to permit most types of residential, office and institutional uses while excluding retail and service uses except for restaurants, banks and real estate sales offices.

2. The density designations could be adjusted to encourage residential development while permitting a limited amount of commercial or institutional floor space. For example, residential projects could be allowed the same density as mixed use projects, and the non-residential floor space could be limited to a low density such as 0.5 times the area of the lot.

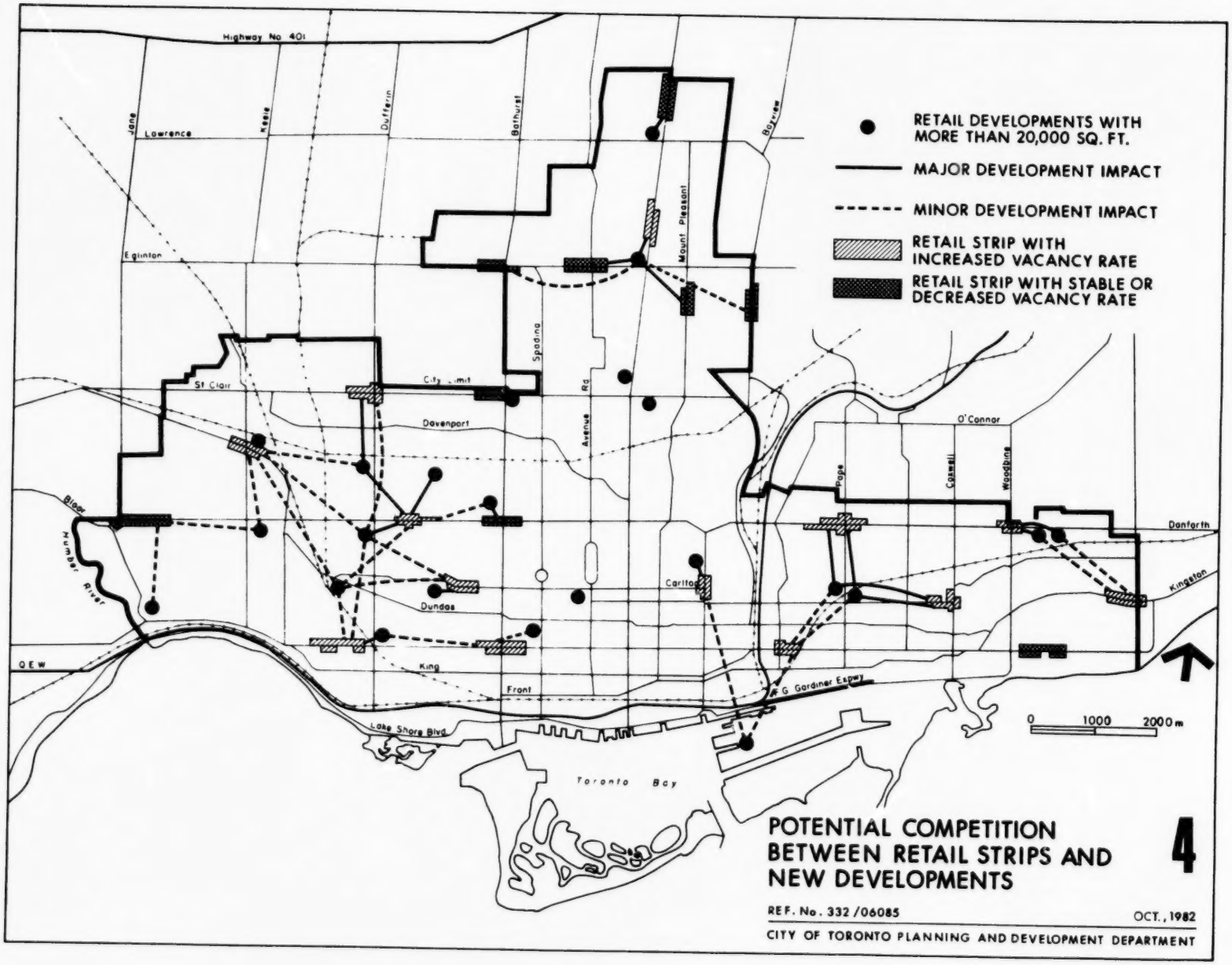
3. Commercial areas could be rezoned to a residential zoning category such as R.4 or R.4A. This would permit a few limited types of offices and institutional uses to locate in addition to residences.

The first and third options prohibit most retail uses, and therefore exercise the greatest control over their development. The third strategy would be appropriate in areas where mainly residential development is desired while the first strategy permits a wider range of office and institutional uses as well as residences.

The second strategy encourages residential development without actually prohibiting retail and other non-residential land uses. Therefore, it is more flexible and less restrictive than the first or third strategies. However, it may permit too much retail development to effectively protect traditional shopping streets. 44.3% of all the projects containing retail space built outside of the central core and regional commerce centres between 1965 and 1977 had retail densities of 0.5 times the area of the lot or less. Therefore, almost half of the retail developments would have been unaffected by a 0.5 times the area of the lot density limit.

3.4 Encouraging Major Shopping Developments to Support Retail Strips

A shopping development's impact on existing shopping districts usually increases with its size. Large projects generally draw more sales away from the existing retail districts, and affect districts which are further away. They are more likely to increase the sales of nearby stores because they attract more customers to the area. In fact, large stores are said to "anchor" shopping districts since the people they attract to the area often



POTENTIAL COMPETITION BETWEEN RETAIL STRIPS AND NEW DEVELOPMENTS **4**

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will visit the neighbouring businesses as well. In general, large stores increase the amount of traffic and parking demand in the area. They usually occupy more frontage, and therefore have a greater impact on the appearance and functioning of the sidewalk environment. They also have a greater visual impact on any abutting residential properties.

Therefore, large scale shopping projects have the potential to either reinforce retail strips, or to substantially detract from their economic health. Analyzing the projects built since 1965 in Toronto indicated that large shopping developments too often have had a negative impact on the City's retail strips. The location of developments containing at least 20,000 square feet of retail space constructed outside of the Central Core between 1965 and 1977 was compared with retail strips whose vacancy rates had increased or decreased between 1964 and 1977 (information was available for twenty-two strips). Potential "development impacts" between the new developments and the retail strips were identified. It was found that the average number of development impacts was almost three times greater for the strips whose vacancy rates had increased than for the strips whose vacancy rates had decreased. Far more major shopping projects had been built near the strips with increased vacancy rates than near the strips with decreased vacancy rates.

The problems large retail developments have posed for retail strips will not be addressed by designating more non-retail areas in the City. It is proposed that Council gain the ability to review all major retail projects before their development. This would require amending the Zoning By-law to remove the as-of-right permission of projects containing more than 1800 square metres (19,375 square feet) of retail space. Council would permit larger retail projects after reviewing development applications submitted by the owner of the lot.

The proposed review process is intended to ensure that the location, scale and form of new retail development support shopping activity in traditional shopping streets and are compatible with the surrounding area. As was discussed in Section 3.3 of the report, new retail developments shouldn't undermine traditional shopping streets' markets, preferably should be located in traditional shopping streets, and should be designed in such a way that shoppers move between the new project and the rest of the shopping district and the area's shopping environment is improved. Different criteria are needed inside and outside traditional shopping streets in order to meet these objectives.

Inside traditional shopping streets, the main concerns relate to built-form. The development should complement the surrounding area and should encourage its customers to move out onto the

public sidewalk and visit the neighbouring stores. For example, the ground floor of the project should be used for retail stores and service shops which are oriented and accessible to the public sidewalk, and any building setback should be used for pedestrian or shopping-related features - definitely not for parking or loading activity. In addition, new developments should not overload the shopping street's road capacity and parking facilities. Ideally, the project should incorporate enough parking spaces to accommodate its customers, and satisfactory arrangements should be made for truck loading facilities.

Outside of traditional shopping streets, the major consideration is the economic impact of the proposed development on nearby shopping streets. It is proposed that the applicant be required to submit a market study which demonstrates that his project will not jeopardize the economic health of any traditional shopping streets. The types of shopping developments identified in Section 3.3 as being appropriate outside of traditional shopping streets would be the most likely to meet this criterion. These are shopping facilities which:

- serve convenience shopping needs (however, these will almost always be less than 1800 square metres, and therefore not subject to review).

- are ancillary to another use (again, will usually be less than 1800 square metres).

- provide a specialized or automobile-oriented type of shopping function which is not compatible with the character of traditional shopping streets (e.g. drive-in restaurants, furniture warehouse stores).

Council should also ensure that the approved developments are compatible with the surrounding area, and consistent with all other Official Plan policies. For example, a major shopping complex in a designated industrial area should not be approved.

1800 square metres is proposed as the size limit for as-of-right retail development for a number of reasons. It is large enough to permit a wide range of minor developments to proceed without delay. For example, it will accommodate the redevelopment of up to about ten properties in typical strip-form, the construction of new convenience shopping facilities, or the development of most accessory retail uses such as employee cafeterias or showrooms for industrial products. However, large full-line supermarkets and shopping centres or malls providing typical neighbourhood shopping facilities will exceed the limit and require rezonings. Projects with more than 1800 square metres of retail space accounted for about 80% of the amount of retail space constructed, but only

about 20% of the number of new developments, between 1965 and 1977.

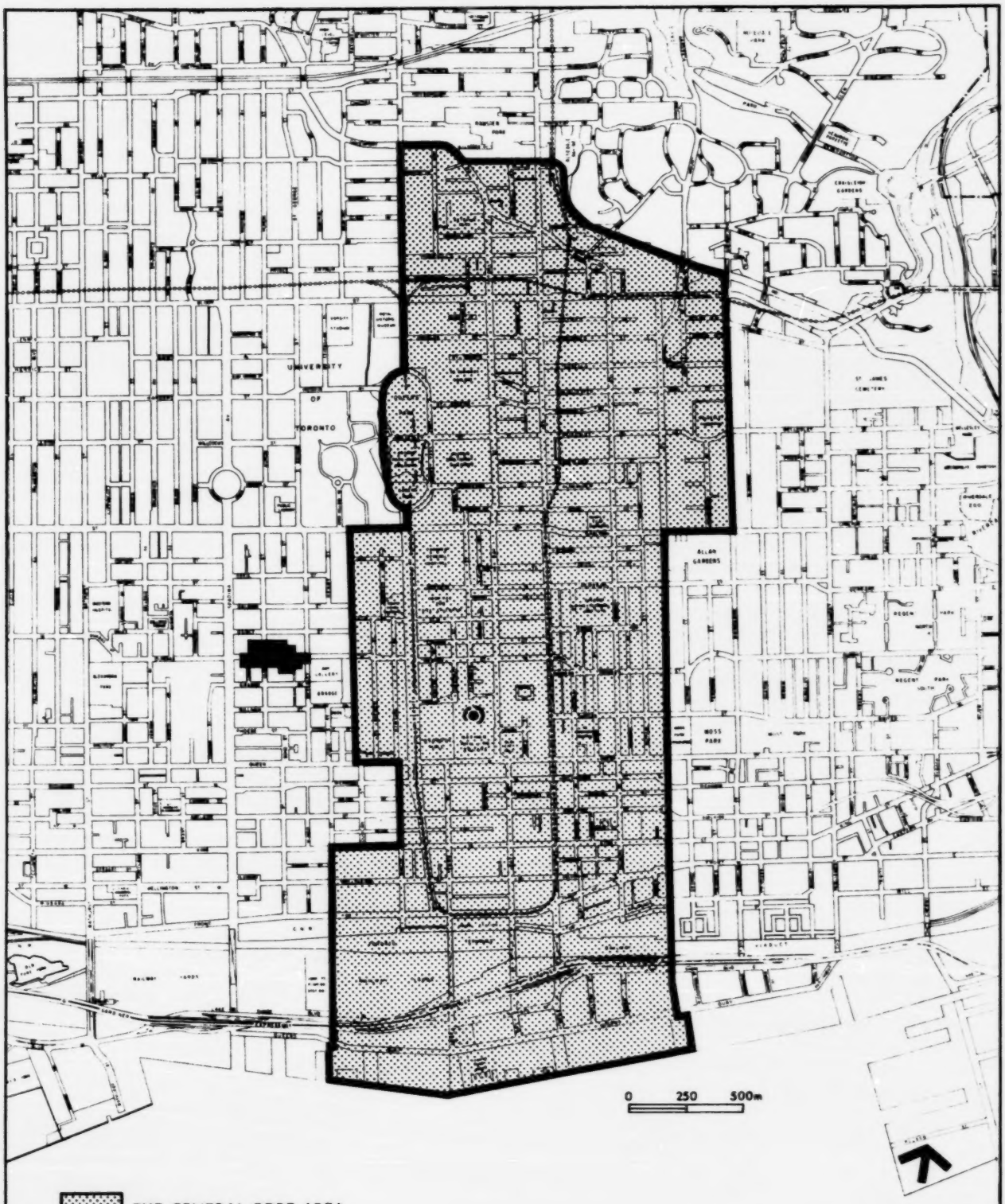
1800 square metres is a practical "watershed" limit to administer since most shopping projects have either substantially less or substantially greater amounts of retail space. Between 1965 and 1977, only two projects contained between 1700 and 1900 square metres of retail space. Most projects had either less than 1400 square metres or more than 2200 square metres of retail space.

Two general exemptions from the 1800 square metre limit for retail development are proposed. First, existing floor space will not be subject to the limit. Therefore, existing buildings with more than 1800 square metres of retail space will remain conforming uses. The redevelopment of existing shopping developments will be permitted provided that the new project contains a maximum of 1800 square metres of retail space more than the old project. Proposed additions to existing buildings or floor space conversions that would result in more than 1800 square metres of space being used for retail purposes than existed on whatever date Council passes the By-law amendment will require a rezoning.

The second exemption from the 1800 square metre limit will apply to all developments in the Central Core and in "special retail areas" rezoned in accordance with Section 3A.1(h) of the Plan. At present, only Yorkville (which is also within the Central Core) and Chinatown West are so rezoned. However, more areas could be added in the future. Projects in these areas do not compete with retail strips to the same extent as projects built in the rest of the City. New retail space is often associated with high density office, hotel, or residential development, and can be supported by the new residents, employees, and tourists. Where this is not the case, the stores and service shops usually serve highly specialized, region-wide markets (e.g. the Chinese community).

It is intended that rezoning applications for large shopping developments which reinforce shopping activity in traditional shopping streets and are compatible with the surrounding area will be approved quickly. The number of applications should be small enough to deal with promptly. Only 30 of the retail developments built between 1965 and 1980 would have required rezonings under the proposed policy. That is an average of two projects per year. The pace of retail development is not anticipated to increase in the near future.

The implementation of the proposed large shopping development review policy will involve three steps. First, a Part I Official Plan statement is proposed to establish the policy and define the general criteria that will be considered in reviewing rezoning applications.



THE CENTRAL CORE AREA

CHINATOWN WEST

AREAS EXEMPT FROM LIMIT ON NEW RETAIL SPACE

5

REF. No. 332/06085 OCT, 1982

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Second, a Zoning By-law amendment will be required to delete the as-of-right permission of developments with more than 1800 square metres of space used for retail and services uses, generally as listed below:

LOCAL RETAIL AND SERVICE SHOPS

- a grocery shop, a bake-shop, a butcher shop, a delicatessen; a pharmacy, a variety or smoke shop, a newsstand, a hardware shop; a place of business of a bank, trust company, savings and loan company, or credit union which provides service to the public; an eating establishment, a box lunch shop, a tavern or public house; a shoe repair shop, a shoe shine shop, a tailor's shop, a dry cleaning shop, a dry cleaner's distributing station, a laundry shop; a barber shop, a ladies hairdressing establishment; a book store, a florist shop.

GENERAL RETAIL AND SERVICE SHOPS

- a retail store, a pawnbroker's shop, a secondhand shop, a dressmaker's shop, a pet shop, a real estate sales office; a sample or showroom, an auctioneer's premises; a service and repair shop, a locksmith's or gunsmith's shop, a taxidermist's shop, an upholsterer's shop, a spotting and stain removing establishment, a duplicating shop.

The amendment would apply in all districts permitting retail and service uses - i.e. in C.1S, C.1, C.2, C.3, C.4, CR, QR, I1, I2, and IC districts. Uses existing on the date the By-law is approved and developments located in the central core and Chinatown West (the area along Dundas Street West between Beverley Street and Spadina Avenue zoned CR L 2.5 U 40) would be exempt from the limit.

The third step will be a series of discussions with the development and supermarket industries. The purpose of these discussions will be to assess how the location requirements of large stores can be met in a retail strip environment. Initial discussions will begin this year as part of the public input sought about this report. A more detailed study, possibly encompassing a demonstration project, may be undertaken in the future if the initial discussions indicate that this would be helpful.

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GENERAL RETAIL AND SERVICE SHOPS

- a retail store, a pawnbroker's shop, a secondhand shop, a dressmaker's shop, a pet shop, a real estate sales office; a sample or showroom, an auctioneer's premises; a service and repair shop, a locksmith's or gunsmith's shop, a taxidermist's shop, an upholsterer's shop, a spotting and stain removing establishment, a duplicating shop.

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4. Policy Three: Supporting the Ability of Retail Strips to Attract Customers

4.1 How Retail Strips Can Attract Customers

No matter how large the local market is, retail strips will not do well unless people want to shop in them. Unless retail strips serve the needs of their customers, they will lose business despite the measures proposed to increase their local markets and limit the development of competing shopping locations.

It is proposed that Council adopt the policy of improving traditional shopping streets' shopping environments and helping them attract more customers. The measures being developed to accomplish this objective address the reasons people select shopping locations. Three types of factors are considered: (a) convenience, (b) the goods and services sold, and (c) physical appearance. The market study proposed in Section 5.3 of the report will produce more specific and detailed information about how these factors affect Toronto residents' shopping behaviour, and what measures would be most effective in attracting business to traditional shopping streets. However, some general comments can be made at this time.

(a) Convenience

Convenience is the most common reason people give for shopping in a particular area. Generally this means the closest shopping district, which is why the surrounding residential neighbourhood is almost always the most important component of a shopping district's market. A shopping district will rarely be successful unless it attracts a high proportion of the purchases made by the neighbouring residents. A proposal to help merchants understand and respond to the shopping needs of surrounding area residents is discussed in Section 4.7 of this report.

The convenience of a shopping district is also affected by the continuity of its shopping-related uses. This determines the ease

of making multi-purpose shopping trips. Section 4.4 discusses measures to encourage retail and service uses to locate in traditional shopping streets.

Some people prefer to shop by car. The availability of parking space is an important aspect of convenience to this group. Parking in retail strips is the subject of Section 4.3 of this report.

The convenience of retail strips' shopping environments is also influenced by various municipal policies, regulations and facilities. Examples include on-street parking regulations, the location of pedestrian crosswalks and signalized intersections, and the provision of facilities and community services such as daycare centres and libraries. Proposals related to municipal services and policies are discussed in Section 4.2.

(b) Goods and Services

The type, variety, quality, and price of the goods and services sold in the shopping district also are extremely important factors in attracting customers. The successful businessman must offer the type of retail service suited to the needs of the potential market - in most cases, mainly the people living in the surrounding neighbourhood.

The major responsibility for delivering goods and services obviously rests with businessmen. However, the City could do more to assist these functions than it has in the past. A proposed City role is discussed in Section 4.7 of the report.

(c) Physical Appearance

The physical appearance of a shopping district is not as important to customers as its convenience or the goods and services it sells. However, an area's appearance does make shopping a more or less pleasant experience, and is a consideration to some people. For example, 3 1/2% of residents surveyed in the South Parkdale area mentioned factors related to physical appearance as reasons for choosing shopping locations (see Parkdale Commercial Study, November 1977, p.66). 30% of the residents made negative comments about Queen Street's appearance or physical attributes. In another survey of shoppers in North Toronto (March, 1980; unpublished), 12% of the respondents said they disliked the strips' appearance.

In addition, many merchants prefer to locate in an area with a well-maintained and attractive appearance and a "good image". A "junky" area often can't attract the more successful merchants. Therefore, an area's physical appearance indirectly influences the

type and quality of goods and services sold and the type of retail service provided.

Finally, an unattractive environment in retail strips detracts from the "vista" the City presents to passers-by, and reflects negatively on the surrounding neighbourhood. The report Support for Retail Strips: General Policy Proposals identifies beautification and facelifting as a desirable objective in all commercial areas for this reason.

The proposals to improve traditional shopping streets' physical appearance address three dimensions. Measures to improve public facilities and the appearance of the street environment are discussed in Section 4.2. New development is the subject of Section 4.5. The appearance of existing private property and buildings is discussed in Section 4.6.

4.2 The Public Environment and Municipal Policies and Services

The City government and other various public agencies have a major impact on the physical appearance of retail strips and the quality and convenience of their shopping environment. Providing municipal parking lots, street furniture, trees, etc., has a direct and highly visible impact on the strips' physical environment. Council already has adopted the policy of encouraging "improvements in the general appearance, the level of maintenance, and the provision of public amenities in Mixed Commercial-Residential Areas". It is proposed that traditional shopping streets be given priority when the City makes improvements in commercial areas.

Public facilities such as libraries and community centres are compatible with shopping activity. In fact, they can be highly desirable elements in retail districts because they expand the social functions the area plays in the community, and supplement the range of services it offers. It is proposed that Council give preference to sites in traditional shopping streets when locating the types of public facilities and municipal services that support shopping activity.

Various municipal policies have an impact on the shopping environment and the functioning of businesses in retail strips. Policies dealing with the street system - for example, snow removal, on-street parking and loading regulations, pedestrian crosswalks, and proposed road and sidewalk widenings - are very important. Roads lined by retail strips cannot be viewed solely as traffic arteries. They are also the spines of shopping districts. It is proposed that the shopping functions of traditional shopping streets be considered when reviewing regulations or other municipal actions affecting these areas.

The taxes the City charges commercial businesses have a major impact on their operation. The property tax is determined by a commercial and a residential mill rate which are struck each year, and applied to the provincially-established assessment base. Commercial firms are also charged an annual business tax. At present, small commercial businesses receive a tax advantage from the Province. Their assessment to market value ratio is usually less than for uses such as high rise office towers. In addition, the business tax is applied to only 30% of an independent merchant's assessment compared to 50% of a chain store's assessment. The City currently is reviewing the property tax system with a view to requesting the Province to introduce "market value assessment". In making any changes to the property tax system, the impact on small commercial businesses should be considered.

4.3 Parking and Loading

Parking is a major issue in almost all of the City's retail strips. Businessmen in strips usually cite parking shortages as their most pressing problem. Conventional wisdom has it that an abundance of free parking is one of the major attractions shopping centres offer over retail strips. On-street spaces provide the majority of most strips' parking supply. Their use interferes with traffic and buses on busy arterials, and disrupts the quiet residential environment on sidestreets.

Retail strips' parking problems will never be solved to everyone's satisfaction. The strips' intensively developed physical form is not compatible with the widespread use of the private car. However, improvements are possible. It is proposed that a more systematic strategy for dealing with retail strips' parking problems be developed. Such a strategy would focus and streamline the resources the City brings to bear on parking problems.

Two fundamental questions should first be answered. The first question concerns the amount of parking needed in retail strips to adequately serve their shoppers and other visitors, employees and residents. The objective will be to define a general level of parking demand per unit floor space, and to identify factors that produce variation in parking demand. The large number of parking studies that have been done in the City will be reviewed in order to evaluate retail strips' parking demand. It is not anticipated that additional major surveys will be necessary. The second question concerns the importance of providing enough parking to satisfy demand. It is not clear that parking is as important to the economic health of strips as many people believe. Repeated surveys have indicated that a large proportion of the people who shop in retail strips walk and few shoppers consider parking to be a problem. The market study proposed in Section 5.3 of the report

will indicate the extent to which City residents view parking shortages as problems that discourage them from shopping in retail strips. It will help determine whether increasing parking is likely to attract more customers to retail strips.

Assessing the extent of parking demand in retail strips and the implications of a parking shortage will contribute to a review of the Zoning By-law's parking requirements, and the development of guidelines to use when evaluating the parking needs of different areas. The Zoning By-law's parking schedule for developments in the Central Area already has been reviewed. The rest of the City still requires attention. The objective in revising the parking requirements is to ensure that developers provide or pay for enough parking spaces to accommodate the cars of the people using their new buildings.

A satisfactory way of implementing a parking requirement in retail strips has yet to be found. The intensive built-form and small lot sizes that typify strip developments often dictate against the provision of adequate on-site parking. Developers can apply to make cash payments to the Toronto Parking Authority's Off-Street Parking Fund instead of building the required number of spaces (payments-in-lieu of parking). However, the fairness of this provision has been questioned since there is no assurance that parking will ever be built near projects on whose behalf payments-in-lieu are made. The alternative ways that developments can make provision for parking require further examination. Methods the City can use to finance the construction of collective off-street parking facilities is a related issue. A consultant study commissioned by the Toronto Parking Authority did a considerable amount of research on funding additional parking facilities. This will provide a foundation for further work.

The parking demand information will be used to define general guidelines for assessing the adequacy of retail strips' parking facilities. This tool will help the Toronto Parking Authority and Planning and Development Department staff streamline and systemize the many requests they receive to study parking problems. Preliminary assessments of parking adequacy could be carried out quickly, allowing problem areas to be identified and priorized for more detailed study. It may be feasible to develop a list of retail strips that need more off-street parking which would guide the Toronto Parking Authority in acquiring sites, and a set of factors that signal when an area's demand for parking is likely to increase. This would help the Planning and Development and Parking Authority respond to developing parking shortages at an early stage.

Loading space also is at a premium in most retail strips. Trucks frequently unload from the main street, interfering with traffic

movement and the passage of pedestrians along the sidewalk, and using on-street parking spaces. The report Services for Small Businesses on Retail Strips suggests that loading zones may help the situation, and recommends that the Commissioner of Public Works study their feasibility in consultation with the Commissioner of Planning and Development.

4.4 Street-Related Retail and Service Uses

A high proportion of retail and services uses at grade facilitates the activity of business associations and the implementation of streetscape improvements, and attracts people making multi-purpose shopping trips. Therefore, it is proposed that Council adopt the policy of encouraging the location of street-related retail and service uses in traditional shopping streets.

The land use controls over the development of new retail space proposed in Section 3 of this report will support the retention of retail and service uses in traditional shopping streets. Encouraging non-retail development in more commercial areas and requiring major new retail developments to demonstrate that they will not harm shopping streets should reduce the dissipation of the City's retail activity and the erosion of traditional shopping streets' markets. Major new retail developments in traditional shopping streets will only be approved if they complement the pedestrian shopping environment. Normally, this will require the presence of retail and service uses at grade and directly accessible to the public sidewalk.

A special "shopping-related" zoning category for traditional shopping streets was also considered. This category would have excluded many C.1 and CR uses which can be incompatible with adjacent shopping activity such as car dealerships, service stations, and completely residential buildings. It would have controlled the uses included in all new developments as well as the conversion of uses within existing buildings.

Background research confirmed that stores and service shops often are converted to "non-shopping" uses in retail strips, particularly in areas with high vacancy rates. Non-shopping uses are slow to leave the strip if the market conditions improve and the demand for retail floor space increases. Therefore, it is difficult to increase the intensity of retail uses in an area once it has been reduced.

However, it was decided not to introduce a shopping-related zoning category at this time. Evidence of the potential threat of the uses determined to be "non-shopping-related" was considered insufficient to warrant totally excluding them from traditional shopping streets. Reducing retail development outside traditional

shopping streets should lessen the pressure for the conversion of shopping to non-shopping uses. The introduction of a shopping-related zoning category can be reconsidered in the future if these measures prove insufficient.

Studies of specific traditional shopping streets may indicate the need for additional measures to encourage the location of street-related retail and service uses. For example, the Church-Wellesley area's Part II Plan designates Church Street "an Area of Special Identity", with a special character defined by its role as a traditional shopping street, the close proximity of residential and non-residential uses, and the low scale and form of existing buildings. The Plan introduces a number of measures to help Church Street retain its special identity. These include a Zoning By-law amendment reducing the permitted non-residential density from 2 to 1.7 times the lot area, and allowing an additional density of 0.3 times the lot area for street-related retail and service uses.

4.5 The Physical Form of New Development

New developments in traditional shopping streets should create an interesting and attractive facade along the public sidewalk which supports and generates pedestrian activity, and encourages people to move between the new project and the rest of the shopping district.

Development Review By-laws provide the best means of influencing the design of new developments. It is proposed that they be used in traditional shopping streets to encourage a form of development that is integrated with the streetscape and reinforces the pedestrian shopping environment. The following guidelines used in the Church-Wellesley area provide examples of the features that can be controlled by development review:

- The retail frontage should abut the sidewalk or common outdoor space adjacent to the sidewalk.
- The retail frontage should be designed to maximize window display areas and/or outside areas for merchandise display.
- The retail frontage should be designed to minimize the amount of space taken up by stairways to basement or upper storeys. Exterior stairwells to basement commercial uses should not be included.
- Projects on sites with wide frontage should be designed to accommodate or at least reflect the scale of small individual storefronts, i.e. 4.5 to 6 metres (15 to 20 feet) wide.

- Where alternative vehicular access is possible and appropriate, driveways to parking and service areas should not take access from the main commercial street.

- Setbacks between the sidewalk and store frontage should not be used for parking and loading facilities.

4.6 The Appearance of Private Buildings and Properties

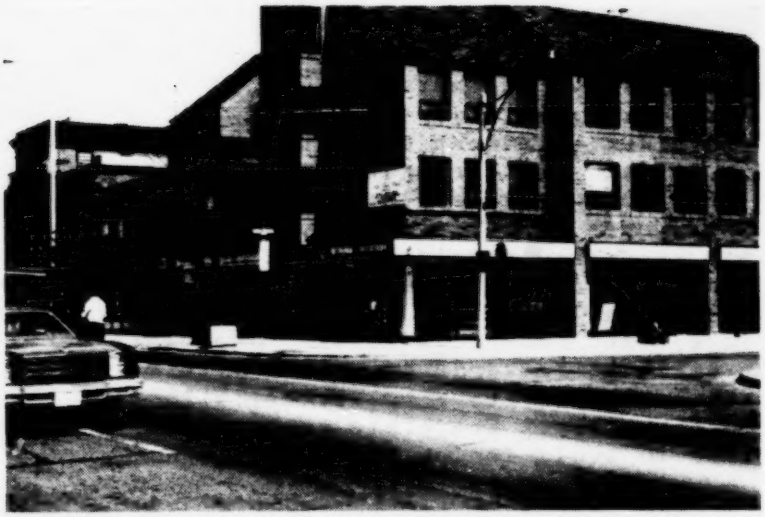
The existing properties and buildings have a greater impact on the appearance of most commercial strips than either the public environment or new developments. The building facade, interior, and rear all play an important role in establishing the image of the area and attracting shoppers.

It is proposed that the City more actively encourage merchants and property owners to keep their premises in a well maintained condition, and to improve the appearance of their store fronts, windows, and merchandise display areas. Identifying areas as traditional shopping streets and spending money on streetscape beautification and public facilities should in themselves encourage private renovation and improved maintenance by increasing confidence in the areas' future. Business associations can encourage their members to improve their properties. Some associations may wish to foster a co-ordinated appearance along the commercial facade, possibly focusing on an aspect of the area's history or other such "theme". When encouragement fails, the City can implement the Non-Residential Property Standards By-law to enforce a minimum level of property maintenance.

Services for Small Businesses on Retail Strips recommended that City staff assist with private renovation and maintenance by sponsoring workshops on retail strip revitalization. These could include information on property maintenance, window display design, the building code, and the Non-Residential Property Standards By-law. A more convenient service for processing small-scale commercial building permits also has been proposed. If implemented, this will encourage building renovation and maintenance by streamlining the permit application and approval process.

4.7 Supporting Business

Factors related to the goods and services sold (price, quality, selection) and the businesses in the area (amount of service, friendliness of merchants, store layout, cleanliness, and appearance) are extremely important in determining where people choose to shop. The prime responsibility for providing retail services rests with the businessmen themselves. However, a comprehensive commercial revitalization programme cannot ignore business problems.



NEW DEVELOPMENT SHOULD ENCOURAGE PEDESTRIAN ACTIVITY ALONG THE SIDEWALK.

MANY NEW SHOPPING DEVELOPMENTS LOCATE AWAY FROM STRIPS.

Other governments do actively assist businesses. For example, both the Federal and Ontario Governments offer extensive loans programmes and subsidies to private corporations. They also both sponsor low cost management consulting services for small businesses.

Government support is particularly important to small businessmen, who are the majority of merchants in retail strips. Small businesses are extremely decentralized. They compete with one another as individual, independent stores, and often fail to co-operate in order to strengthen the attractiveness of the surrounding shopping district as a whole. Unlike franchised outlets or branches of chain stores, small businesses usually do not have ready access to specialized retail services (e.g. market research, sophisticated inventory control systems, expert promotional campaigns) or to savings from bulk buying, prime credit ratings, and other similar "economies of scale". For example, the small businessman is unlikely to be able to afford the necessary research to keep abreast with demographic changes occurring in the market. Therefore, he may not respond to the changes in time to avoid losing business.

Services to Small Businesses on Retail Strips proposes that the City embark on a new role in supporting business. The general strategy is to encourage businessmen to organize into associations. Planning and Development Department staff will work more closely with the business associations to help them develop realistic strategies for the improvement of their areas. A specific member of staff has been assigned to act as a central resource for business associations and the rest of the Department.

The market study proposed in Section 5.3 of the report will produce a valuable aid to business associations. Demographic statistics for the neighbourhoods surrounding the strips will be compiled, and information about shopping behaviour and preferences will be provided. This should assist business associations develop revitalization strategies sensitive to their particular problems and the preferences of the surrounding neighbourhood residents.

Ways of assisting businessmen on an individual basis are also being considered. Possible means of reducing the amount of City Hall "red tape" are being investigated. Some steps already have been taken to help people streamline their dealings with the City. For example, the set of brochures Before You Build briefly and clearly describes the regulations and procedures necessary to secure a building or demolition permit, a rezoning, minor variance, development review approval, and an Official Plan amendment. More assistance could be provided to businessmen on other subjects as well - for example, market analysis, storefront variance, development review approval, and an Official Plan amendment. More assistance could be provided to businessmen on other subjects as well - for example, market analysis, storefront design, and available government services and loans and grants programmes.

5. Implementing the Economic Policies

5.1 Land Use Planning Proposals

It is proposed that the economic policies for retail strips described in this report be added to the Part I Official Plan. This will establish them as official City policy, giving them legislative status and high visibility.

The general policy for the economic revitalization of retail strips has already been adopted as an Official Plan amendment. It reads as follows:

> "It is the policy of Council to recognize specific Low Density Mixed Commercial-Residential Areas as traditional shopping streets through statements in Part II of this Plan or through other statements of policy. It is the objective of Council that traditional shopping streets be retained as active and economically viable shopping districts. Accordingly, Council will give priority to these districts in determining specific economic and other measures intended to revitalize commercial areas."

The more detailed economic policies discussed in this report will be established in two additional statements. The first indicates the actions Council will undertake in traditional shopping streets in order to encourage their retention as "active and economically viable shopping districts" per Section 4 of this report. The second statement establishes the policy towards the development of new retail space, as discussed in Section 3. It is proposed that they be worded substantially as follows:

1. It is the policy of Council to use its powers of regulation and review and other measures in areas recognized as

traditional shopping streets to improve the attractiveness and convenience of their shopping environments and to assist their business functions. These measures will include, but are not limited to:

a) passing Development Review By-laws to ensure that the form of new development is compatible with and supports the areas' pedestrian environment and shopping functions;

b) giving priority to the improvement of such public amenities as parking facilities, street furniture and landscaping in these areas;

c) giving preference to sites in traditional shopping streets when locating public services and facilities supportive of shopping activity;

d) having regard for any impact on the areas' shopping functions when considering municipal issues, policies, or proposals affecting traditional shopping streets;

e) encouraging the location of street-related retail and services uses in traditional shopping streets; and

f) encouraging and assisting the organization and functioning of effective business associations.

2. It is the policy of Council to ensure that the location, scale and form of new retail development support retail activity in traditional shopping streets and are compatible with the surrounding area. Accordingly, Council will amend the Zoning By-law in order to:

a) encourage the location of predominantly non-retail development in certain appropriate Mixed Commercial-Residential Areas not recognized as traditional shopping streets;

b) limit the amount of retail gross floor area per lot to 1800 square metres or less in all areas where retail uses are permitted by this Plan other than within the central core or those areas rezoned in accordance with Section 3A.1(h) of this Plan. Upon application by the owner of the lot, it is the policy of Council to permit exemptions from such by-laws provided that the proposed development is compatible with the surrounding area and consistent with all other policies of this Plan, and either

i) is within a traditional shopping street and likely to complement the area's pedestrian shopping

environment, encourage interaction with neighbouring buildings, and avoid producing undue traffic congestion or parking space shortages; or

ii) the applicant has submitted a market study demonstrating to Council's satisfaction that the proposed development is unlikely to substantially detract from the economic activity of any traditional shopping street.

Reviewing large retail developments to ensure that their location, scale and form support retail activity in traditional shopping streets will require that their as-of-right permission be deleted from the Zoning By-law. It is proposed that appropriate statements be added to the By-law indicating that notwithstanding its other provisions, no person shall on any lot erect or use more than 1800 square metres of floor space for retail and service uses unless (i) such floor area was used for retail stores and service shops on the date the By-law is approved by Council, or (ii) the lot is located within the central core, or Chinatown West (the CR L 2.5 U 40 district along Dundas St. W. between Beverley Street and Spadina Avenue).

The 1800 square metre limit on floor space used for new retail stores and service shops would be applied in all districts that permit these uses - i.e. in C.1, C.1S, C.2, C.3, C.4, CR, QR, I1, I2, and I3 districts.

Development Review By-laws per Section 40 (formerly Section 35a) of The Planning Act are to be passed in areas identified as traditional shopping streets. It is proposed that a general set of city-wide development review guidelines be established. The following considerations for the frontage along the main commercial street would form the foundation for those guidelines:

- the ground level frontage should be used for street-related retail and service uses, and should reflect the scale of small individual store fronts;

- the design of the ground level frontage should maximize the area used for the display of merchandise, and minimize the space used by stairways and driveways;

- any setbacks between the building face and the sidewalk should provide common outdoor space and should be used for merchandise display, parkettes, or pedestrian-oriented facilities; setbacks should not be used for parking or loading space.

Additional criteria may be used in individual traditional shopping streets to encourage the development of a particular character. For example, the development review guidelines for the Church/Wellesley area included encouraging the use of coloured awnings.

5.2 Selecting Traditional Shopping Streets

Bringing the proposed economic policies for retail strips into effect will require identifying traditional shopping streets from the City's other commercial strip areas. This is to be done in policy statements adopted by City Council, and sometimes in Part II of the Plan. The following criteria are to be considered:

- the existing land use pattern and physical form. Traditional shopping streets should be retail strips with fairly continuous street-related retail and service uses at grade, and a built-form which encourages and supports pedestrian activity along the sidewalk;

- the present and anticipated market conditions in the area. Traditional shopping streets should have a realistic probability of achieving economic health and serving the surrounding community with a good range of shopping functions;

- the amount of public and private investment recently made in the area, and the interest of the local businessmen. Successful commercial revitalization requires the close co-operation of the public and private sectors. The demonstrated interest of local property owners and businessmen in improving the strip therefore is an important factor. Areas in which the public sector has already committed funds will also be given preference in identifying traditional shopping streets.

Most of the information required to identify traditional shopping streets is readily available. The exception is sufficient economic information to evaluate market conditions. The market study proposal discussed in Section 5.3 of the report will provide the needed data.

An initial list of traditional shopping streets will be proposed once the various types of data have been evaluated. The list will be discussed with business and resident associations, affected property owners, and the various other interest groups active in the City, and then submitted to Council for approval. New traditional shopping streets may be added to the list from time to time as the City's economic revitalization programme proceeds, or if the conditions in an area change.

5.3 Market Study Proposals

A market study is necessary to answer many of the questions important to the future of retail strips - for example:

- To what extent do Toronto residents shop in the City's retail strips?
- What are the main factors that attract people to competing shopping districts?
- What changes are necessary to persuade people to do more shopping in retail strips?
- How satisfied are people with retail strips? What do they consider to be their main attributes and problems?
- How much retail space can the City's population support?

It is proposed that a questionnaire be distributed to a sample of the households within about a mile of every retail strip in the City. Questions would be included as to:

a) Household characteristics - e.g. number of people, ages, income level, ethnicity, car ownership, labour force participation;

b) Shopping Behaviour of Residents - e.g. money spent on different types of goods and services, shopping districts visited, reasons for choosing shopping locations, transportation used; and

c) Attitudes towards Retail Strips - e.g. satisfaction with nearest retail strips as shopping locations, suggested improvements, likes and dislikes about the strips.

The information collected will be combined with demographic data available from the census and assessment records and the results of merchant and shopper surveys that have been done in a number of the City's shopping districts to evaluate the market conditions prevailing in the City's retail strips, and the potential that exists for attracting more business to the strips. More specifically, the information will contribute to six different analyses:

a) the selection of traditional shopping streets:

The shopping behaviour data will indicate the trade area boundaries for specific retail strips and the share of the trade area market they attract. This information will be

combined with demographic and retail expenditure data to assess the strips' existing and potential markets. The likelihood of a strip becoming or remaining a strong shopping district can then be evaluated. This is one of the criteria for selecting traditional shopping streets (see Section 5.2).

b) the amount of retail space that different parts of the City can support:

The shopping behaviour information will be combined with demographic data to evaluate the general market for retail space in different parts of the City. This will be particularly useful when considering whether to rezone sections of commercial strip for non-retail purposes (see Section 3.3) and when reviewing proposals for new major retail developments (see Section 3.4).

c) the importance of parking to the economic health of retail strips:

Shopper surveys have indicated that a high proportion of the people who use retail strips walk. The proposed market study will indicate how many people avoid shopping in the strips because they like to drive, and find parking or congestion a problem. This information is essential to the determination of the demand for parking spaces in retail strips and the consequences of failing to provide enough parking (see Section 4.3).

d) priority given to other types of capital improvements:

The types of improvements in commercial strips desired by Toronto residents can be assessed, and used as input to the City's capital works programmes (see Section 4.2).

e) evaluation of the needs of specific retail strips:

Planning and Development Department staff will be able to use the market evaluations and shopping behaviour and attitudinal information compiled for specific retail strips to work with business associations in developing comprehensive strategies for the improvement of their areas (see Section 4.7).

f) evaluation of the general importance of retail strips to Toronto residents:

Public discussion of the retail strip policy to date has yielded a favourable response. The questionnaire will permit the importance of the retail strip issue to be assessed more rigorously. The shopping needs of City residents will be

identified by the survey. The degree to which a retail strip environment can satisfy those needs can be assessed. This information will help the City shape its retail policies.

The Planning and Development Department will require consultant assistance in order to undertake the market study. The consultant will provide the large amount of manpower needed to administer the questionnaire and code the responses, and the specialized expertise needed to make the judgements called for in market analysis. The estimated cost of hiring a consultant is $60,000: $50,000 for the survey design and administration, and $10,000 for advice to Planning and Development Department staff on interpreting the survey results and doing market analyses.

5.4 Programmes and Services

The Service and Programme component of the commercial revitalization strategy is discussed in a separate report Services for Small Businesses on Retail Strips (July 1982). The proposals are outlined below for the reader's convenience:

- an information programme designed to advise the City's business community about the services available to assist strip rejuvenation;
- the sponsoring of seminars and workshops on such topics as property upgrading, the Non-Residential Standards By-law, and promotion and marketing techniques for retailers and business associations;
- the Department of Buildings and Inspections' pilot project for expediting the processing of small-scale commercial building permits and offering a convenient evening service;
- an expanded role in doing surveys and collecting and disseminating information relevant to business associations;
- the continued administration of the Business Improvement Area programme; consideration to providing additional funds for certain capital improvements and marketing studies in B.I.A.'s;
- the development of a co-ordinated strategy for making capital contributions to commercial area improvement;
- the development of a single interdepartmental policy dealing with the maintenance of street furniture in strips; and
- encouraging and assisting the organization of effective business associations, and working towards the formation of a

city-wide committee of associations to strengthen communications between City Hall and the business community.

The report has been circulated to merchants' organizations throughout the City for discussion. In addition, City Council requested that a survey be done to assess the problems and benefits associated with the Business Improvement Area programme. Action on developing the information programme and providing funds for B.I.A.'s was deferred until the survey results are known. A new staff position has been created in the Planning and Development Department to develop the commercial services programme further.

5.5 Monitoring

The central objective of the commercial revitalization policy is to ensure that retail strips remain "major elements in Toronto's commercial land use pattern and centres of activity for its neighbourhoods". It is proposed that a systematic monitoring procedure be introduced to assess the progress that is made towards achieving this objective. An annual monitoring report should be produced for at least three years beginning in September 1983. Reviews at five-year intervals may be sufficient after the first three years.

Each monitoring report should address the following issues:

- the progress that has been made in selecting traditional shopping streets and introducing the various components of the Five Point Programme.

- changes occurring in traditional shopping streets - e.g. vacancy rate, land use changes, activity of business associations, interest of private sector and merchants in redevelopment, renovation, and generally upgrading their buildings.

- any information (e.g. publication of population counts, sales data) that has come to light in the last year with significance for retail strips and traditional shopping streets.

- the receipt of applications for developments containing more than 1800 square metres of retail space, and rezoning decisions made.

- any changes to the economic revitalization measures suggested by the year's experiences in order to better accomplish the objective of supporting retail strips.